

- Death Benefits: The portion of a lump sum payment, received as a result of the death of an individual, which is used to pay the expenses of the last illness and burial of that individual, is deducted.

B. DETERMINING ELIGIBILITY

Countable income is determined by subtracting any allowable disregards and deductions from the total non-excluded gross income. Deemed income is addressed in item C below.

Countable income is determined as follows:

- Step 1: Determine the total non-excluded gross unearned income and subtract the \$20 Disregard.
- Step 2: Determine the total non-excluded gross earned income. Subtract the following, in order:
- Remainder of SSI \$20 Disregard
 - SSI \$65 + 1/2 Earned Income Disregard
 - SSI Work-Related Expense Deduction.
(Blind persons only)
- Step 3: Add unearned income from Step 1 above.
- Step 4: Subtract the amount of income diverted to a PASS account and the Death Benefit deduction.

The result is the total monthly countable income.

- Step 5: Compare the amount in Step 4 to the QMB, SLIMB, QI-1 or QI-2 income levels for the appropriate number of persons. See item C,4 below. If the amount is less than or equal to the QMB, SLIMB, QI-1 or QI-2 income levels, the client(s) is eligible.

QMB eligibility is determined at 100% FPL.

SLIMB eligibility is determined at 101-120% FPL.

QI-1 is determined at 121-135% OF FPL

QI-2 is determined at 136-175% OF FPL

- Payments from the U.S. Department of Veterans Affairs programs, when such payments are based on need. VA pensions are based on need, but not payments made for service-connected disabilities.

When the ineligible spouse's non-excluded income, as shown above and in Section 10.3, minus only the needs of dependent children in the home, is greater than the Allocation Standard, the ineligible spouse's income is added to the eligible spouse's income. These are the SSI deeming provisions, which also require use of the couple income limit when income is deemed.

The deeming calculations are as follows:

Step 1: Determine the ineligible spouse's total non-excluded unearned income.

Step 2: Subtract the needs of all ineligible dependent children.

The needs of each ineligible child are determined separately, by subtracting the child's own income from the Allocation Standard. The difference, if any, represents the child's needs.

EXAMPLE: SSI payment level for 1 and 2 persons is \$494 and \$741. The Allocation Standard is \$247. Child #1's income is \$248. Because the child's income exceeds \$247, there is no deduction for Child #1's needs. Child #2's income is \$40. The allocation for this child's needs is \$207

After a separate determination is made for each child, the allocations are added together and then subtracted from income.

Step 3: Determine the ineligible spouse's total gross non-excluded earned income.

Step 4: Subtract the remainder of the needs of all ineligible dependent children which could not be subtracted in Step 2.